

## Message Text

LIMITED OFFICIAL USE

PAGE 01 OECD P 24983 01 OF 02 261707Z

42

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EA-07 FRB-03 INR-07 IO-10 NEA-10 NSAE-00 OPIC-03

SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 OMB-01 USIE-00

DODE-00 PM-04 H-02 L-03 NSC-05 PA-01 PRS-01 SS-15

STR-04 OIC-02 JUSE-00 FTC-01 SSO-00 NSCE-00 INRE-00

/113 W

----- 008277

O 261744Z SEP 75

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 8581

INFO AMEMBASSY LONDON IMMEDIATE

LIMITED OFFICIAL USE SECTION 01 OF 02 OECD PARIS 24983

PASS EB FOR R. SMITH, L FOR FELDMAN, TREASURY FOR  
WIDMAN AND LANGE, JUSTICE FOR DAVIDOW, AND  
LONDON FOR BOEKER

E. O. 11652: N/A

TAGS: EINV, EFIN, OECD

SUBJECT: GUIDELINES FOR MNE'S; SEPTEMBER 25 LUNCHEON

REF: (A) STATE 225876

(B) OECD PARIS 24320

(C) STATE 214882

(D) IME(75)15

(E) STATE 223236

1. AT SEPTEMBER 25 LUNCHEON ATTENDED BY PERM DEL  
REPRESENTATIVES FROM UK, SWEDEN, AND US, PLUS VONDEWITZ  
FROM FRG AND VOGELAAR FROM SECRETARIAT, GENERAL VIEWS  
WERE EXCHANGED REGARDING LATEST STATE OF PLAY ON MNE  
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 24983 01 OF 02 261707Z

EXERCISE IN IME, BASED PRIMARILY ON REFDOK (D).

2. PREAMBLE: FRG INDICATED THAT THEY NOW HAVE NO SERIOUS PROBLEMS WITH PREAMBLE. THIS INCLUDES SUGGESTED US TEXT ON CONSULTATIONS FOUND IN FOOTNOTE TO PARAGRAPH 10 OF PREAMBLE IN REFDOK (D). (DISCUSSED BELOW IN PARA 8.) SWEDEN AND UK INDICATED THAT THEY, TOO, FORESAW NO REAL PROBLEMS WITH PREAMBLE BASED PRIMARILY ON RESULTS OF LAST AD HOC DRAFTING GROUP MEETING. VONDEWITZ STATED THAT FRAU STEEG HOPES TO DEAL VERY QUICKLY WITH PREAMBLE IN FIRST FEW MINUTES OF SEPTEMBER 30 IME MEETING. IF ANY UNFORESEEN PROBLEMS ARISE WITH PREAMBLE, STEEG HOPES TO LEAVE IT TO DRAFTING GROUP MEETING FOLLOWING IME PLENARY. US INDICATED GENERAL SATISFACTION WITH PREAMBLE, IN ACCORDANCE WITH VIEWS IN REFTTEL (E).

3. GENERAL POLICIES: FRG INDICATED THAT IT IS BROADLY SATISFIED WITH THIS SECTION. UK ALSO SAW NO PROBLEM. SWEDEN INDICATED SOME DIFFICULTY IN PARA 2 OF GENERAL POLICIES SECTION, SAYING THAT A MORE SPECIFIC REFERENCE TO THE INTERESTS OF TRADE UNIONS SHOULD BE MADE AT SOME POINT IN THIS SUBPARAGRAPH.

4. DISCLOSURE OF INFORMATION: THIS APPEARS TO BE THE AREA OF GREATEST POTENTIAL CONTROVERSY. SWEDEN REMAINS DISSATISFIED WITH EITHER ALTERNATIVE A OR B OF DISCLOSURE OF INFORMATION SECTION IN REFDOK (D). THEY EXPECTED TO OFFER AT NEXT IME MEETING AN EVEN MORE DETAILED LIST OF INFORMATION ITEMS TO BE REQUIRED OF MNE'S THAN THE LIST IN ALTERNATIVE B. FRG NOTED IT COULD BE SATISFIED WITH ALTERNATIVE A, ALTHOUGH ALTERNATIVE B WOULD BE PREFERABLE. US REITERATED ITS STATED PREFERENCE FOR A SIMPLE TEXT ON THIS ITEM. VOGELAAR SAID THAT HE HAD SHOWN PARTS OF THE TEXT IN ALTERNATIVE B INFORMALLY TO REPRESENTATIVES OF BIAC, WHO INDICATED THAT THEY COULD LIVE WITH THE TEXT, IN GENERAL, WITH THE EXCEPTIONS OF THE SECOND SUBPARAGRAPH(RE COUNTRY OR GEOGRAPHIC BREAKDOWN) AND THE SIXTH SUBPARAGRAPH (RE TOTAL EMPLOYEES AND TOTAL REMUNERATION), WHICH WOULD LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 OECD P 24983 01 OF 02 261707Z

BE EXTREMELY DIFFICULT TO ACCEPT. AT IME, FRG CAN BE EXPECTED AGAIN TO ASK FOR AN EXPLANATION OF WHY US FINDS IT DIFFICULT TO ACCEPT COMPREHENSIVE LISTING OF INFORMATION REQUIREMENTS.

5. GROUP WAS TOLD BY VON DEWITZ THAT STEEG WILL NOT WANT TO DELVE DEEPLY INTO SECTIONS ON FINANCING, RESTRICTIVE BUSINESS PRACTICES, AND TAXATION AT NEXT

IME. RATHER, IT WILL BE SUGGESTED THAT THESE SECTIONS  
BE SHOWN TO REPRESENTATIVES OF BIAC AND TUAC AFTER  
SEPTEMBER 30 IME MEETING TO OBTAIN THEIR VIEWS  
BEFORE FURTHER DISCUSSION IN IME TAKES PLACE.

6. HOWEVER, DURING COURSE OF DISCUSSION ON RBP, US  
INDICATED ITS VIEWS ACCORDING TO REFTEL (A), PARA 4.  
FRG AGAIN SUGGESTED THAT PARA 3 OF RBP SECTION BE  
TRANSFERRED TO GENERAL POLICIES SECTION. IN THE ALTER-  
NATIVE, FRG SUGGESTS THAT WORDS "WHEN COMPETITIVELY  
IMPORTANT" BE DROPPED FROM PARA 3 OR REDRAFTED.

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 OECD P 24983 02 OF 02 261706Z

42

ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 USIE-00 CIAE-00 DODE-00 PM-04

H-02 INR-07 L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02

SS-15 STR-04 OIC-02 JUSE-00 FTC-01 SSO-00 NSCE-00

INRE-00 AID-05 CEA-01 COME-00 EA-07 FRB-03 IO-10

NEA-10 OPIC-03 TRSE-00 CIEP-01 LAB-04 SIL-01 OMB-01

/113 W

----- 008316

O 261744Z SEP 75

FM USMISSION OECD PARIS

TO SECSTATE WASH DC IMMEDIATE 8582

INFO AMEMBASSY LONDON IMMEDIATE

LIMITED OFFICIAL USE SECTION 02 OF 02 OECD PARIS 24983

7. EMPLOYMENT AND INDUSTRIAL RELATIONS: GROUP  
GENERALLY TENTATIVE ON THIS ISSUE. FRG AND UK SAID

THEIR MINISTRIES HAD NOT FOCUSED ON IT. SECRETARIAT SUGGESTED MAIN DIFFICULTIES VIS-A-VIS TUAC WILL BE WITH SUBPARAGRAPHS (7) AND (8), ESPECIALLY SUBPARAGRAPH (8), WHICH IS VAGUE AS TO WHETHER LOCAL, NATIONAL, OR INTERNATIONAL EMPLOYEES' REPRESENTATIVES ARE INTENDED TO CONDUCT NEGOTIATIONS.

8. CONSULTATIONS: US REITERATED VIEWS ON CONSULTATIONS AS EXPRESSED IN REFTEL (A), ESPECIALLY FACT THAT WE OPPOSE PROCEDURES WHICH MIGHT BE VIEWED AS AN ATTEMPT TO ENFORCE INTERNATIONALLY PROVISIONS OF THE GUIDELINES. VONDEWITZ SAID FRG IS SATISFIED WITH US TEXT RE CONSULTATIONS FOUND IN FOOTNOTE TO LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 OECD P 24983 02 OF 02 261706Z

PARA 6 OF PREAMBLE, REFDOK (D). HOWEVER, SUBSEQUENT DISCUSSION REVEALED TWO MAIN ISSUES ON CONSULTATIONS: (A) THAT OF TIMING OF THE CONSULTATIONS, I.E., WHETHER THERE SHOULD BE AD HOC CONSULTATIONS IN ADDITION TO PERIODIC AND REGULAR PROCEDURES; AND (B) WHETHER WITH LANGUAGE SUGGESTED BY US, THE INTERPRETATION MAY BE MADE THAT SPECIFIC ISSUES COULD BE SUBJECT TO "ARBITRATION". FRG INTERPRETATION OF US TEXT STILL INCLUDES THE POSSIBILITY THAT SUCH AN ARBITRATION, EVEN IF WITHIN AN ICSID MOLD, COULD POSSIBLY INVOLVE PROCEDURES WHICH INCLUDE GOVERNMENTS AND/OR INDIVIDUAL MNE'S, A VIEW CLEARLY CONTRARY TO THAT EXPRESSED IN PARA 3 OF REFTEL A.

9. DURING DISCUSSION, SWEDE INDICATED CONCERN FOR THE LINKAGE OF MNE GUIDELINES WITH THE REST OF PACKAGE (INCENTIVES/DISINCENTIVES, NATIONAL TREATMENT) WITHOUT, HOWEVER, INDICATING ANY SPECIFIC PROBLEMS WITH THE INCENTIVES/DISINCENTIVES AND NATIONAL TREATMENT PARTS OF THE PACKAGE AS SUCH. SWEDES SEE LACK OF BALANCE IN PACKAGE NOW, AND FEEL THAT GUIDELINES FOR MNE'S SHOULD BE BEEFED UP SO AS TO GAIN BETTER BALANCE IN SUBSTANCE AND SPIRIT WITH THE OTHER PARTS OF PACKAGE WHICH CONCERN GOVERNMENTS. VONDEWITZ AND US DEFENDED PRESENT BALANCE BY GIVING HISTORICAL BACKGROUND TO ALL THREE PARTS OF PACKAGE, AND ON THE CONCEPT ENVISIONED THEREFROM.

10. FYI: SWEDE INDICATED THAT LIND WILL NOT HEAD SWEDISH DELEGATION AT NEXT IME. HIS SUPERIOR, MICHAELSSON, REPORTEDLY OF GREATER POLITICAL WEIGHT IN SWEDEN, WILL HEAD UP SWEDISH DELEGATION. TURNER

LIMITED OFFICIAL USE

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** POLICIES, AGREEMENT DRAFT, COMMITTEE MEETINGS, INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 SEP 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975OECDP24983  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D750334-1090  
**From:** OECD PARIS  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750910/aaaaaimm.tel  
**Line Count:** 221  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 5  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 75 STATE 225876  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 27 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <27 MAY 2003 by BoyleJA>; APPROVED <28 MAY 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** GUIDELINES FOR MNE'S; SEPTEMBER 25 LUNCHEON  
**TAGS:** EINV, EFIN, OECD  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006